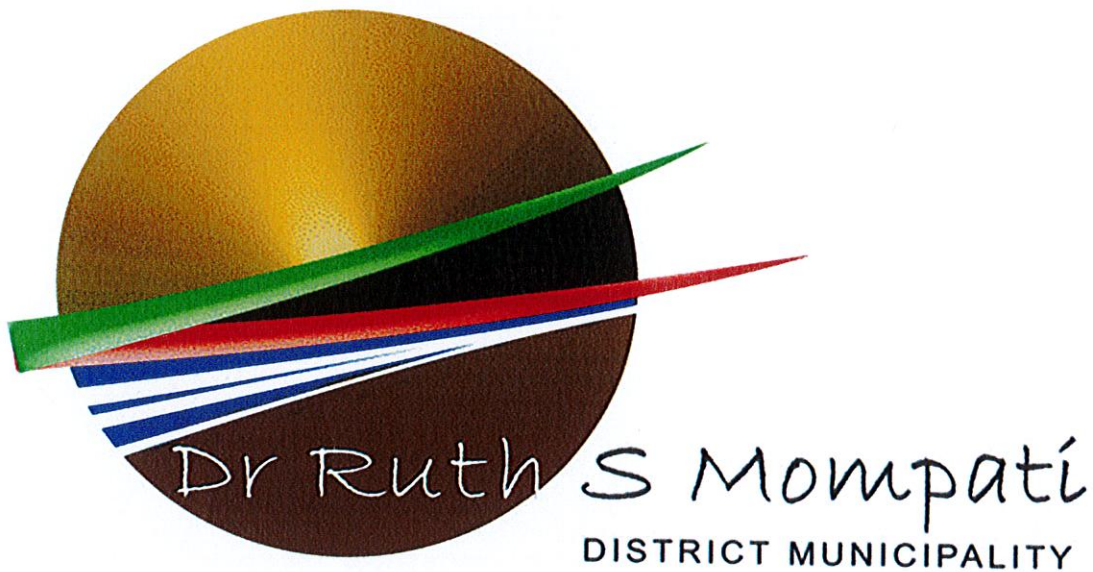


**REPORT ON THE IMPLEMENTATION OF THE SCM POLICY  
DR RUTH SEGOMOTSI MOMPATI DISTRICT  
MUNICIPALITY**



**AS AT 30 JUNE 2020**

Supply Chain Management Implementation Report prepared in line with the MFMA:  
Supply Chain Management Regulation No 6(3).

---

---

## **PART A**

### **1.1 Introduction and Background**

According to SCM Regulation 3, a municipality is expected to review the implementation of the SCM policy on an annual basis. This review will enable the municipality to strengthen the internal controls. The reviewed SCM policy must include all the relevant SCM reforms and regulation. The Dr. Ruth S. Mompati District Municipality has last reviewed the SCM Policy in 28 February 2018 which was effective from the 01 July 2018.

### **1.2 Objective of the report**

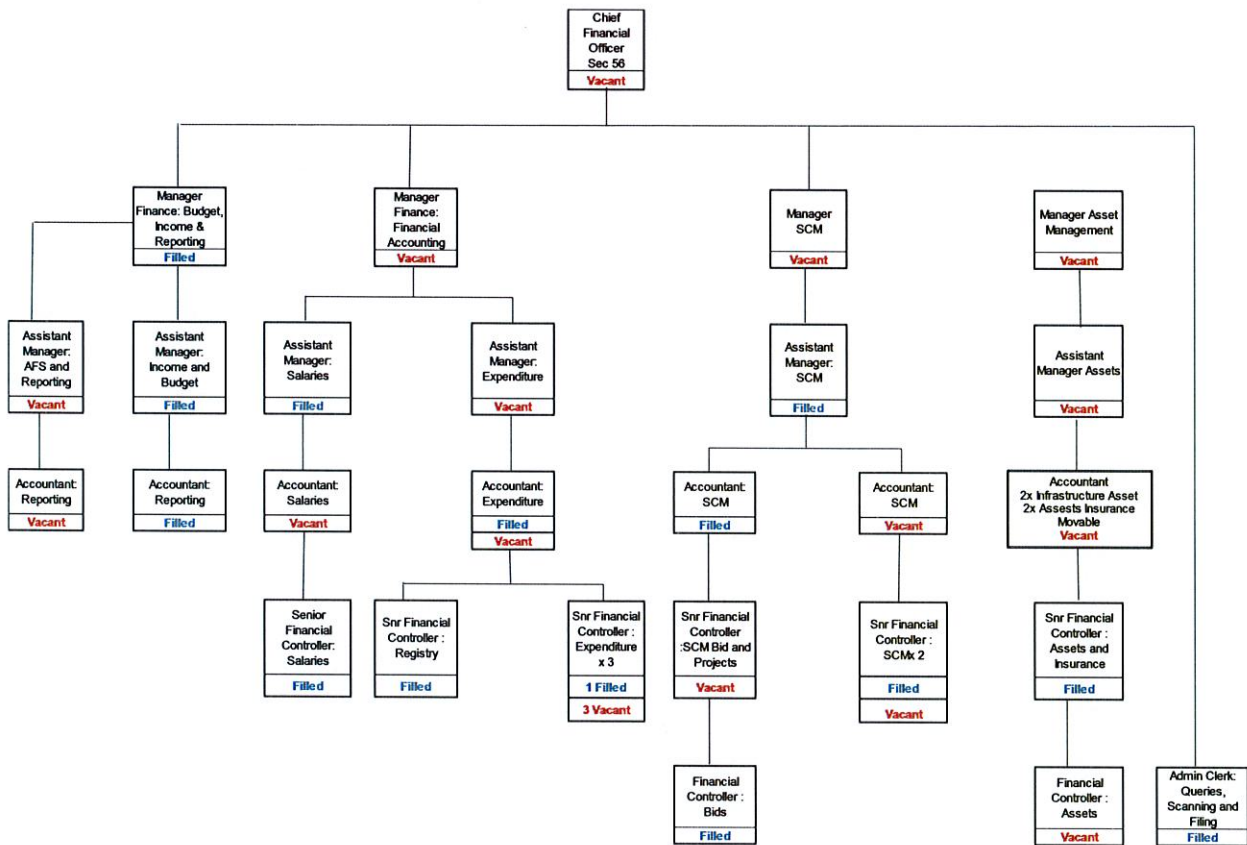
The objective of this report is to comply with Section 6 of the Municipal Supply Chain Regulations which states that:

The Accounting Officer of a municipality must within 10 days of the end of each quarter, submit a report on the implementation of the SCM policy to the Mayor.

## **PART B**

### **2. Supply Chain Institutional Arrangements**

Supply Chain Management functions have been centralised under the Budget and Treasury Office of the municipality under the leadership of the Chief Financial Officer. Currently there are 02 vacant positions of supply chain practitioners on the organogram as follows:



## **2.1 Policy and Procedures for Supply Chain Management**

The SCM policy has not been reviewed annually as required by the SCM Regulations; however the policy has been reviewed and implemented from 01 July 2018. This amounts to non-compliance and threatens the internal controls of the municipality.

## **2.2 Establishment of the SCM Unit**

According to our Supply Chain Policy and SCM Regulation no 7, each municipality must have a supply chain management unit which deals with the following elements of supply chain management:

- Demand Management
- Acquisition Management
- Logistics Management
- Assets and Disposal Management
- SCM Performance and Risk Management

SCM Regulation 7 was fully implemented from 01 July 2017 in line with our policy. Due to lack of sufficient resources, the unit only implements some of the elements. All elements of Supply Chain Management are implemented except logistics management.

The SCM unit is established and all SCM functions are centralised (Acquisition activities are performed by the SCM unit). All quotations are sourced from one central point to ensure that all the SCM legislative requirements are addressed.

## **2.3 Establishment of Bid Committees**

The bid committees are in place, but they are not necessarily in line with the suggested committee members as the policy stipulates. The Bid Specification and the Bid Evaluation Committees are in line with policy. The Bid Adjudication Committee as suggested by the policy should comprise at least 4 senior managers; our Bid Adjudication Committee consists of four senior managers and other managers and



officials. However, the bids committees have been functioning well, and have identified areas where they need to improve.

A declaration form in terms of S7 (2) of the Municipal Systems Act of 2000 has been circulated to all the Bid Committee Members for them to declare their interest and to be signed under Oath. The forms have been completed and returned to the SCM Officer.

At all Bid Committee Meetings, members sign an attendance register and declare and undertake the following:

## **2.4 Supplier Database**

The municipality must:

- (a) Ensure that the suppliers are registered on the web based central supplier database. Suppliers can use the following link to register: [www.csd.gov.za](http://www.csd.gov.za)
- (b) Ensure that system vendors follow the National Treasury Integration Job Aid file which will ensure that the municipal financial system are integrating with the web based central supplier database.
- (c) Ensure that the supplier chain management officials and other officials use the central supplier database online search engines.

The municipality must use the central supplier database supplier number starting with (MAAA) which is auto generated by the central supplier database system after the successful registration and validation of the prospective provider as mandatory requirement as part of the listing criteria for accrediting prospective provider in line with section 14(1)(b) of the Municipal Supply Chain Management Regulations

## **3. The Procurement Plan**

All departments within the municipality have submitted their procurement plans for financial year 2019/20. The procurement plan is specifically required to address the procurement of goods and services of the value above R200 000.00. **The departments are urged to submit the new procurement plans for 2020/2021 financial year.**

## **PART C**

### **SCM Performance Monitoring**

#### **3.1 Extension of Contracts**

RDM2018-025A: Subdivision and Rezoning of erf 3364 Vryburg - The completion of the project has been delayed by the declaration of the National lockdown on 26 March 2020 in an effort to curb the spread of the COVID-19 pandemic , contract have been extended to end on 30 December 2020

#### **3.4 Deviations and Ratification of Minor Breaches of Procurement Processes in terms of S36 of the SCM Regulations**

As per attached report

#### **3.5 Procurement of Goods and Service under contract secured by other organ of state as per S32 of SCM Regulations**

No contract was awarded this quarter



**EMERGENCY PROCUREMENT FOR COVID -19 INTERVENTION**

Printing Detail: ModisSel on 2019/07/04

BID DETAIL		Awarded	
Bid no	Description	Supplier	Amount (Incl VAT)
COVID-19-1	PROCUREMENT OF 1000 X 40KG PIGGERY FEED (GROWER) FOR COVID 19 INTERVENTION	A CORN PROJECTS 36 PTY	468 000.00
COVID-19-2	PROCUREMENT OF VEGETABLES FOR COVID 19 INTERVENTION	BULA BULA TRADING ENTERPRISE (PTY) LTD	195 600.00
COVID-19-3	PROCUREMENT OF 160 X 20L TICK CONTROL VACCINE FOR COVID 19 INTERVENTION	GEO IT SOLUTIONS (PTY) LTD	800 800.00
COVID-19-4	PROCUREMENT OF 1000 X 40KG PIGGERY FEED (GROWER) FOR COVID 19 INTERVENTION	GREEN AFFAIRS CONSULTING	450 000.00
COVID-19-5	PROCUREMENT OF 160 X 20L TICK CONTROL VACCINE FOR COVID 19 INTERVENTION	IKGO LOGISTICS (PTY) LTD	801 600.00
COVID-19-6	SUPPLY AND DELIVERY OF STOCK FOR VENDORS FOR COVID 19 INTERVENTION	KABI - KABISO CONSULTING	615 276.70
COVID-19-7	PROCUREMENT OF 1000 X 40KG POULTRY FEED (GROWER) FOR COVID 19 INTERVENTION	KAUPE PROJECTS AND TRANSPORT (PTY) LTD	470 000.00
COVID-19-8	PROCUREMENT OF 2000 X 50KG WINTER LICK FOR CATTLES - COVID 19 INTERVENTION COVID 19 EMERGENCY SUPPLY AND DELIVERY OF 13 TABLETS FOR MUNICIPAL COUNCIL	KEMISO EVENT AND CONSULTANT	625 000.00
COVID-19-10		Onamo d7 Trading Enterprise (PTY) Ltd	459 940.00
COVID-19-11	PROCUREMENT OF 1000 X 40KG POULTRY FEED (GROWER) FOR COVID 19 INTERVENTION	MARODEX GROUP (PTY) LTD	R464 000.00
COVID-19-12	SUPPLY AND DELIVERY OF STOCK FOR VENDORS FOR COVID 19 INTERVENTION	MO HAVEN	585 055.35
COVID-19-13	PROCUREMENT OF 1000 X 50KG WINTER LICK FOR CATTLES - COVID 19 INTERVENTION	MOIDI LOGISTICS (PTY) LTD	312 500.00
COVID-19-14	SUPPLY AND DELIVERY OF STOCK FOR VENDORS FOR COVID 19 INTERVENTION	MOTHEO WA KITSO	R575 121.90
COVID-19-15	PROCUREMENT OF VEGETABLES FOR COVID 19 INTERVENTIONS	RA PRODUCTION (PTY) LTD	880 000.00
COVID-19-16	COVID 19 EMERGENCY PROCUREMENT FOR TEMPERATURE SCANNERS	Dunamis Emporium	55 102.25
COVID-19-17	COVID 19 EMERGENCY PROCUREMENT OF SANITIZERS AND DISINFECTANTS	Boemma Air and Refrigeration Projects (Pty) Ltd	400 000.00
COVID-19-18	COVID 19 EMERGENCY PROCUREMENT OF PPEs	Nkgatwe Marope Trading and Projects (Pty) Ltd be	95 047.50
COVID-19-19	PROCUREMENT OF 2000 X 50KG CATTLE WINTER LICK FOR COVID 19 INTERVENTION	SCENE 1 (PTY) LTD	625 000.00
<b>Total bid value awarded</b>			<b>7 838 921.80</b>



DEVIATIONS AND RATIFICATION REPORT FOR THE PERIOD APRIL TO JUNE 2020

SUPPLY CHAIN MANAGEMENT REGULATION 36(1) A/DEVIATIONS

Name of the municipality	Description of Goods/Service	Contracted service provider	Value of the project (VAT inclusive)	Reason for deviation	Month
Dr RSM DM	Payment of excess for HRM814 NW	Steyn Panelbeaters	R 9 369.03	This is an exceptional case and it is impossible and impractical to follow the official SCM Process	2020/06/04
Dr RSM DM	Check and Replace Shoe Brake kit on the HLT 479 NW Land Cruise of Taung Fire Station	O005 – Orange Toyota	R2 905.95	Orange Toyota is the sole provider as per SCM regulations S36a(ii)	2020/04/03
Dr RSM DM	Service and Maintenance of HZH 052 NW for 195 000km	O005 – Orange Toyota	R3 345.75.	Orange Toyota is the sole provider as per SCM regulations S36a(ii)	2020/03 /05



**3.5 Deviations as per S114 of the MFMA**

No S114 deviations during the quarter.

3.6 Procurement of Goods and Services under contract secured by other organs of states as per S32 of Supply Chain Management Regulations

**None**

**3.7 Bid Register report**

As per attached Bids register

**3.8 Quotation Register report**

As per attached quotation register

## Bid Register List (2020/04/01 to 2020/06/30)

Printing detail: Molekenyos on 2020/07/07

BID DETAIL										
Bid no	Description	Construction contract (Y/N)	Closing date	Project manager	Bid document detail			Awarded		
					Contact person	Contact tel no	Validity days	Supplier	BBBEE %	Amount (excl VAT)
RDM2018-002A5	Provision of Project Management Services – Rural Water Supply Programme	N	2020/06/03	Seichokoj			44012	Diges Group	-	4 576 402.00
RDM2019-002A1	E-PMS & E-Risk Support and Fully automated performance management and risk systems (R e Advert)	N	2020/02/18		053 928 6400		43873	Innovation Government Software Solutions (Pty) Ltd	-	2 400 000.00
RDM2019-005A	Supply of short term insurance for Dr Ruth Mompoti District Municipality	N	2020/02/05				43858	Kunene Mokopo Risk Solution	-	729 625.00
RDM2019-012A	Preparation of Annual Financial Statement	N	2020/03/23				43880	KMH Chartered Accountants	-	9 194 508.75
RDM2019-013A	Appointment of a Vat Recovery Service Provider	N	2020/03/23				43880	PK Financial Consultant	-	
RDM2019-014A	Leasing of Offices for The District Municipality for a Period of 36 Months	N	2020/06/05	Moroka T	Tebogo Moroka	053 928 6400	43880	Ganis Hyper Store	-	13 248 000.00
RDM2019-015A	Design, Hosting and Maintenance of Municipal Website for a Period of 36 Months	N	2020/03/20	Moroka T	Tebogo Moroka	0539286400	43894	Reyakopele Trading 149	-	589 900.00
RDM2019-017A1	Supply, Deliver, Installation and Configuration of Municipal Financial Server	N	2020/06/05	Moroka T	Tebogo Moroka		43969	Sen-Teb Wfshbonte Supply and Enterprise	-	679 000.00
Total bid value awarded										17 824 402.00
Average bid value awarded										8 912 201.00

## Dr Ruth S Mompoti District Municipality Quotation Register List


Printing detail: MalekanyoS on 2020/07/08

### QUOTATION DETAIL


Quotation no	Description	Closing date	Project manager	Quotation document detail		Advert details			Awarded				
				Contact person	Contact tel no	Availability date	Validity days	Supplier	PDI %	BBBEE %	Order no	Amount (incl VAT)	Status
SCMRDM2056	Supply, Delivery and Installation of the renewal of Antivirus Software Design and placing of COVID-19 messages at District Municipality's	2020/05/27	Marokat	Tebogo Maroka	539 286 400	2020/05/20	60	BAJ ICT Services Pty Ltd	-	-	-	170 000.00	Awarded
SCMRDM2057	strategic areas for awareness	2020/06/11	MothhasediJ	Joseph Molhasedi	539 286 400	2020/06/04	60	Go Big Media	-	-	-	126 774.65	Awarded
SCMRDM221.4	Supply Delivery and Installation of CCTV Camera	2020/02/21	BoishelengM	Boisheleng Marulaganyi	539 286 400	2020/02/14	60	Pitsoane Holdings (Pty) Ltd	-	-	-	108 094.95	Awarded
SCMRDM221.5	Supply, Delivery and Installation of Audio/Video Conferencing Equipments	2020/03/12	Marokat	Tebogo Maroka	539 286 400	2020/03/04	60	Echo Trading and Logistics	-	-	-	99 750.00	Awarded
SCMRDM221.5	Supply and Delivery of 10 UPS for Dr Ruth S Mompoti District Municipality	2020/03/12	Marokat	Tebogo Maroka	539 286 400	2020/03/04	60	Aerow Performance (Pty) Ltd	-	-	-	88 032.50	Awarded
SCMRDM221.5	Actual Valuations for Dr Ruth Mompoti district municipality	2020/06/11	Matshangaza	Mangenzi Matshangaza	539 286 400	2020/06/02	60	One Pangaea Financial	-	-	-	52 800.00	awarded
<b>Total quotation value awarded</b>											<b>645 452.10</b>		
<b>Average quotation value awarded</b>											<b>645 452.10</b>		

### SCM REASON



  
Prepared By

08/07/2020  
Date

  
Reviewed By:

08/07/2020  
Date

I Jerry Mononela Municipal Manager of Dr Ruth S Mompoti District Municipality, hereby certify that this report and the supporting documentation are prepared in terms of SCM Regulation 6(3).

Print Name: Jerry Mononela

**Municipal Manager of Dr Ruth S Mompoti District Municipality**

Signature:  \_\_\_\_\_

Date : 10/7/20

**ACKNOWLEDGEMENT OF RECEIPT BY THE EXECUTIVE MAYOR**

I, **Cllr BOITUMELO LESEGO MAHLANGU**, the Executive Mayor of Dr Ruth Segomotsi Mompati receive this report in line with the SCM Regulation Section 6(3) of the MFMA.

Signature  \_\_\_\_\_

Date \_\_\_\_\_